

September 13, 2002

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Suite TW-A325
Washington, D.C. 20554

Re: CC Docket Nos. 01-321, 00-51, 98-147, 96-98, 98-141, 96-149, 00-229,
01-338, RM 10329, 96-45, 98-171, 90-571, 92-237, 99-200, 95-116, 98-170, WC
Docket Nos. 02-80, 02-202

Dear Ms. Dortch:

On Thursday, September 12th, Royce Holland, CEO of Allegiance Telecom, Inc., Mary Albert, Vice President for Regulatory and Interconnection, and I met with Bill Maher of the Common Carrier Bureau and the following Bureau staff: Scott Bergmann, Tamara Preiss, Brent Olson, Carol Matthey, Jeff Carlisle, and Jessica Rosenworcel with respect to issues pending before the Commission in the above-referenced proceedings. All of our comments were consistent with positions previously stated on the record with the Commission.

In our meeting, Mr. Holland stated Allegiance's position that the Commission should apply a market power analysis in determining when an unbundled network element should be made available to competitors. Specifically, Mr. Holland stated that the Commission should apply a route-by-route analysis in determining when high-cap loops and transport are removed from the UNE list and argued that the recent interoffice transport proposal by BellSouth and Time Warner Telecom be rejected by the Commission.

Mr. Holland also spoke about the growing problem of Verizon's "no facilities" policy and the inordinate amount of order rejects that Allegiance receives from Verizon as compared to the other incumbent LECs. Mr. Holland argued that the Bell companies should have to provision a UNE T-1 in the same timeframe as they would provision a

special access T-1. Mr. Holland also encouraged the Commission to reject the Bell companies' efforts to revise their interstate access tariffs on the grounds that the proposed security deposit are unwarranted given Allegiance's payment history and credit record. Finally, Mr. Holland stated the Commission should reject the COSUS proposal for a connections-based approach in funding universal service and instead ensure that the interexchange carriers be required to contribute an equitable share of the burden necessary to support universal service. Mr. Holland also encouraged the Commission to give a sufficient period a transition for smaller carriers to come into compliance with the new system.

Pursuant to section 1.1206(b)(1) of the Commission's rules, 47 C.F.R. § 1.1206(b)(1), an electronic copy of this letter is being provided to you for inclusion in the public record of the above-referenced proceedings.

Sincerely,

/s/

Kevin M. Joseph
Allegiance Telecom, Inc.
Senior Vice President
Government and External Affairs

cc: Bill Maher
Jeff Carlisle
Tamara Preiss
Carol Matthey
Brent Olson
Jessica Rosenworcel
Scott Bergmann